

## **Equipment-Facilities**

### **Subject:** Transit Vehicle Transfers

**Information:** The purpose of this document is to provide public transit agencies with the procedure for transferring transit vehicles that can be safely used in revenue service by another eligible entity, in lieu of disposal. Eligible vehicles must have met their useful life, or are under-utilized, and were originally purchased with 100 percent state funds, or a state administered federal grant. Michigan Department of Transportation (MDOT) has the authority to allow for the transfer of transit vehicles between public transit agencies, given certain defined criteria are met.

MDOT encourages public transit agencies to share information with MDOT and other public transit agencies about vehicles within their fleet that are scheduled for disposal which are in good condition and can be safely used in revenue service by another public transit agency. As vehicle disposal requests are submitted, they will be reviewed by the Office of Passenger Transportation (OPT) project managers on a case-by-case basis for eligibility of transfer. Transfers are intended to assist agencies in need of vehicles in good operating condition that can be safely used in providing revenue service, not for the purpose of acquiring to then sell said vehicle(s) for profit. Priority of transfers will be given to agencies who are impacted by significant supply chain issues and then to agencies in need of a more reliable vehicle to maintain their current level of service or expand their fleet and service.

Revenue vehicles on which MDOT is listed as first secured must go through the transfer evaluation process prior to being approved for local sale.

### **For transferring transit vehicles when receiving agency is unknown:**

#### **Actions Needed:**

1. Email your OPT Project Manager stating your desire to transfer a vehicle and include the following:
  - a. A completed [VEHICLE DISPOSAL/TRANSFER REQUEST FORM](#); and
  - b. A signed [6-month Safety Inspection Checklist](#) with no items requiring attention;
    - i. **For Immediate Disposal** - Vehicles with specific items that require attention (see Attachment A for guidance) or if the vehicle is deemed unsafe for operation: Follow the process in external [Transit Vehicle and Equipment Disposal](#).
  - c. Board approval in writing for transfer of the vehicle; and
  - d. A **copy** of the vehicle title.
2. The OPT project manager will notify you in writing to confirm the transfer of the vehicle has been approved.
3. You must then post the vehicle you want to transfer to the "[Transit Vehicles](#)" channel under the "MDOT-Teams-PublicTransitInformation" team within Microsoft Teams, and should include:

- a. Year, make, model, engine type, seating capacity, and lift inclusion within title of post.
  - b. A copy of your signed [6-month Safety Inspection Checklist](#), showing no items requiring attention.
  - c. Recent pictures showing the interior and exterior of the vehicle.
4. After the vehicle is posted, your OPT project manager will update the PTMS vehicle status to "Inactive".
  - a. If no interest in the vehicle is received within 30 days, you may then dispose of the vehicle by following the external [Transit Vehicle and Equipment Disposal procedure](#).
  - b. You must also update your post for the specified vehicle from the "[Transit Vehicles](#)" channel under the "MDOT-Teams-PublicTransitInformation" team within Microsoft Teams if vehicle is disposed.
5. An Act 51 eligible transit agency that is interested in receiving the vehicle should contact the listing agency to indicate their interest.
6. Once the agencies have agreed to the transfer of the vehicle, the agency receiving the vehicle should notify their OPT project manager who will update the vehicle disposal transfer form with agency name and the receiving agency will provide the following:
  - a. Acceptance of vehicle in writing, including a statement that the vehicle is needed to maintain service and not for the sole purpose of profiting from the sale of transferred vehicle; and
  - b. Board approval to accept transfer of the vehicle.
7. The PAS Vehicle Analyst will then transfer the vehicle in PTMS from one agency to another.
8. For vehicles that have met their useful life, MDOT will issue a release of lien letter to the transferring agency.
  - a. The agency accepting the transfer must take the release of lien letter along with the title to the Michigan Secretary of State for processing the transfer.
9. For vehicles that have not met their useful life, MDOT must remain as first secured party on the vehicle title until the vehicle has met its useful life.
  - a. The agency accepting the transfer must submit a copy of the updated title from the Secretary of State showing MDOT has remained first secured party after vehicle transfer processing is complete.
10. Once the transfer is complete, the transferring agency must then update the post for the specified vehicle from the "[Transit Vehicles](#)" channel under the "MDOT-Teams-PublicTransitInformation" team within Microsoft Teams to show the vehicle is no longer available.

**For transferring transit vehicles when the receiving agency is known:**

**Actions Needed:**

1. Email your OPT Project Manager stating your desire to transfer a vehicle and include the following:
  - a. A completed [VEHICLE DISPOSAL/TRANSFER REQUEST FORM](#); and
  - b. A signed [6-month Safety Inspection Checklist](#) with no items requiring attention;
    - i. **For Immediate Disposal** - Vehicles with specific items identified on the 6-month safety inspection checklist that require attention or if the vehicle is deemed unsafe for operation: Follow the external [Transit Vehicle and Equipment Disposal procedure](#).
  - c. Board approval for transfer of the vehicle; and
  - d. A **copy** of the vehicle title.
2. The agency accepting the transfer vehicle must also submit the following to their OPT project manager via email:
  - a. Acceptance of vehicle in writing, including a statement that the vehicle is needed to maintain service and not for the sole purpose of profiting from the sale of transferred vehicle; and
  - b. Board approval for transfer of the vehicle.
3. OPT project manager(s) will notify both agencies in writing to confirm the transfer of the vehicle has been approved.
4. The PAS Vehicle Analyst will then transfer the vehicle in PTMS from one agency to the other.
5. For vehicles that have met their useful life, MDOT will issue a release of lien letter to the transferring agency.
  - a. The agency accepting the transfer must take the release of lien letter along with the title to the Michigan Secretary of State for processing the transfer.
6. For vehicles that have not met their useful life, MDOT must remain as first secured party on the vehicle title until the vehicle has met its useful life.
  - a. The agency accepting the transfer must submit a copy of the updated title from the Secretary of State showing MDOT has remained first secured party after vehicle transfer processing is complete.

**Contact:** If you have any questions, please contact your Project Manager.

Approved: \_\_\_\_\_  
Administrator Date

Attachment A: Vehicle Safety Inspection Form